



STATE OF IDAHO

OFFICE OF THE ATTORNEY GENERAL

LAWRENCE G. WASDEN

March 15, 2021

TRANSMITTED VIA EMAIL

Candi Fitch
Executive Director
Idaho Hop Grower's Commission
P.O. Box 909
Parma, ID 83660
candif@cableone.net

RE: Promotion of Beer by Idaho Hop Grower's Commission

Dear Executive Director Fitch:

This letter is in response to your inquiry as to whether the Idaho Hop Grower's Commission ("Commission") has the statutory authority to use Commission funds to promote or advertise beer.

The Commission's powers and duties are set forth in Idaho Code section 22-3105. With respect to advertising, the Commission has the authority "[t]o plan and conduct an advertising, publicity and sales promotion campaign **to increase the sales of hops** and to make such advertising, publicity and sales promotion contracts and other agreements as may be necessary." Idaho Code § 22-3105(7) (emphasis added).

The Commission's authority to advertise is not limited solely to hops. Rather, the scope of the Commission's advertising authority extends to efforts "to increase the sales of hops." *Id.* Thus, if the Commission determines the promotion of beer increases the sales of Idaho hops, such promotion would be within the Commission's statutory authority and would benefit Idaho's hops industry and growers. However, the Commission would need to consider each advertising or promotional campaign on a case by case basis to avoid any

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marketing efforts that do not promote the sales of Idaho hops, which, as an example, could include advertising or promoting beer that does not contain Idaho hops.

I hope you find this analysis helpful.

Sincerely,

/s/ Andrew J. Snook

ANDREW J. SNOOK
Division Chief
Contracts & Administrative Law Division

Idaho Hop Commission
Promotional Plan for Idaho Craft Beer

2021 - 2022

Estimated revenue distribution: \$36,000

Year one is expected to be largely transitional and exploratory.

- Support of existing Idaho craft beer promotions including but not limited to:
 - Idaho Craft Beer Month
 - Idaho Brewers Trail Map
 - Beer Festivals (AleFort, Destination:Beer, Mountain Brewers Fest, etc)
 - Estimate \$10,000
- Develop hop research and brewing program (\$15,000)
 - Hop growers partner with Idaho breweries to brew with new and experimental hop varieties.
 - Helps growers understand what traits brewers are looking for and,
 - Gives Idaho brewers the advantage of using the next “up and coming” hop first
- Purchase advertising in national trade publications promoting Idaho beer and Idaho hops (\$5,000)
- Administrative overhead (\$5,000)

2022 - 2023

Estimated revenue distribution: \$74,000

- Participate in trade shows such as the Craft Brewers Conference to showcase Idaho beers with Idaho specific hops like Idaho 7 or Idaho Gem (\$12,000)
- Develop marketing materials and brand identity (\$5,000)
- Host a Media Tour (\$10,000)
 - Invite journalists to tour Idaho breweries and hop yards, followed by a dinner at the hop fields
- Host Hop Harvest Festival in Wilder (\$12,000)
- Support of existing Idaho craft beer promotions (\$10,000)
- Continue hop research and brewing program (\$18,000)
- Administrative Overhead (\$7,000)

2023 - 2024+

Estimated revenue distribution: \$145,000

- Hire PR firm to pitch Idaho beer and hop stories to national publications (\$7,500)
- Develop and execute marketing campaign with ad buys in national trade publications and local outlets (\$22,500)
- Continue to develop relevant and successful promotions from prior years (\$60,000+)
 - Trade Shows
 - Media Tour
 - Hop Harvest Festival
- Continue hop research and brewing program (\$45,000)
- Administrative Overhead (\$10,000)

